as a cautioning note emphasizing the need for the continuation of reform efforts.

(c) and (d) It is not true that the Government have slowed down the pace of economic reforms; and on the contrary, Government will continue the reform process vigorously to acclerate economic growth and reduce the time required to close the gap with the industrial countries.

Pumping Indian Rupee into Domestic Foreign Exchange Market by RBI

3515. SHRI SUNDER SINGH BHANDARI: Will the Minister of FINANCE be pleased to state:

(a) the number of times the RBI pumped in Indian Rupee into the domestic foreign exchange market to defend its own currency in the financial year 1996-97 and the amount involved in each case;

(b) the growth in export earnings during the said period; and

(c) the total amount of Government securities that were sold during the periods for purchasing dollars?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The Reserve Bank of India undertakes purchased and sale of foreign exchange from the market with a view to smoothening the short term fluctuations and to maintain orderly market conditions. During the financial year 1996-97, total net purchases of US dollars by the Reserve Bank of India in spot, forward and swap segments of the foreign exchange market amounted to US $ 7.8 billion.

(b) The export growth rate in US dollar terms during 11 month period (April, 1996 to February, 1997) was 5.6 per cent as compared to 21.4 per cent during the preceding corresponding period.

(c) The Reserve Bank of India does not sell Government securities for purchasing dollars.

Income Tax Raids

3516. SHRI LAKKHIRAM AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the number of income raids carried out during 1994-95, 1995-96 and 1996-97;

(b) total amount of undeclared amount found in these raids; and

(c) total amount released as tax out of the undeclared amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The total number of Income Tax searches and seizures made during 1994-95, 1995-96 and 1996-97 are as follows:

Financial Year	No. of Warrants	Seizure (Rs. in crore)
1994-95	4830	381.43
1995-96	4612	458.14
1996-97	*4299	*405.63

(* " - Figures are provisional)

A total disclosure of Rs. 577.08 Crores was made u/s 132(4) of the IT Act during F.Y. 1994-95. The figures of disclosure are not available for F.Y. 1995-96 and 1996-97 because of change in law. According to the new law, there is no concept of disclosure u/s 132(4). Subsequent to search necessary action as per Direct Tax Laws have been taken in all the cases.

Reported Corruption by ABB in Swiss Charities

3517. SHRI K.R. MALKANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the Indian Express report of 22nd February, 1997 from Zurich, that Swiss Charities—Caritas, Fastienop per etc. have found Asea Brown Boveri, a Swedish MNG, engaged

in corrupt practices amounting to tens of millions of dollars in Uri hydro-power project, a gas turbine operation, sale of locomotive and a power station in India;

(b) whether Government would arrange to get the Swiss press report on the subject and place it on the Table of the House; and

(c) whether Government would institute an inquiry into the matter and make it public?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) National Thermal Power Corporation and National Hydroelectric Power Corporation have informed that they are not aware of any corrupt practices in securing contracts by Asea Brown Boveri for Uri Project or any Gas Turbine Project/Power Station.

Revision of Excise Tariff on Pan Masala

3518. SHRI MUKESH R. PATEL: SHRI SANJAY NIRUPAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have issued any notification on 1st March, 1997 to revise excise tariff on pan Masala;

(b) if so, the reasons for issuing the notification just on the next day of presenting the General Budget; and

(c) whether Government are losing revenue after fixing the excise on Pan Masala according to weight, instead of the maximum retail price or factory price of the product; if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) (a) to (c) Pan Masala falling under sub-heading No. 2106.00 of the Central Excise Tariff is levied excise duty at 40% ad valorem both prior to and after the budget for the year 1997-98. In the budget for 1997-98, no change has been made in the rate of duty applicable to pan masala. However, tariff value on pan masala has been prescribed vide notification No. 5/97-Central Excise (NT) dated the 1st March, 1997 taking into consideration all relevant aspects. This measure is not likely to result in loss of revenue.

Funds to Weak Public Sector Banks to meet Capital Inadequacy

3519. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have provided funds to various weak public sector banks to meet their capital adequacy;

(b) whether Government have analysed the reasons for losses incurred by various banks in this country; and

(c) if so, what steps Government have taken to ractify the defects in the banking system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) Some of the main reasons for los ses incurred by the banks are:

high overhead expenditure

high volume of Non-pcrforming assets (NPAs)

high cost of funds

inadequate credit appraisal and post sanction supervisory system

lack of risk management skill

inadequate menagement information system

(c) Government/RBI have taken fol lowing measures:

advised the banks to contain NPAs by means of formulating loan recovery policy, setting up recovery cells, entering into compromise/negotiated settlements, referring to debt recovery tribunals etc.

infused additional share capital to the weak banks to enable them to achieve 8% capital adequacy